

TAX INFORMATION BULLETIN

Publication 388
September 2012
www.boe.ca.gov



New tax rates to take effect on October 1, 2012

Voters in eight cities in California approved new district taxes that take effect October 1, 2012. A city's new rates apply only within the incorporated limits of that city. The tax rates outside the incorporated city limits will remain the same. Solano County extended their existing tax rate to September 30, 2030. Stanislaus County extended their existing tax rate to June 30, 2018.

AREA	NEW CODE	NEW ACRONYM	OLD RATE	NEW RATE
City of Hercules (Contra Costa County)	286	HTGT	8.25%	8.75%
City of Pittsburg (Contra Costa County)	288	PPTG	8.25%	8.75%
City of San Pablo (Contra Costa County)	290	SPGT	8.25%	8.75%
City of Ridgecrest (Kern County)	291	RTGT	7.25%	8.00%
City of Greenfield (Monterey County)	293	GFGT	7.25%	8.25%
City of Soledad (Monterey County)	292	STEG	7.25%	8.25%
City of Santa Maria (Santa Barbara County)	295	SMAG	7.75%	8.00%
City of Sonoma (Sonoma County)	297	SOGT	8.00%	8.50%

Do you need assistance determining whether an address is within city limits?

Some cities have developed a database to help you identify addresses located within special taxing jurisdictions. In cooperation with these cities, our website contains links to their address databases (www.boe.ca.gov/sutax/cityaddresses.htm). If you have questions about the addresses, you should contact the cities directly.

Our website also includes a link to a free sales and use tax rate locator (www.geotax.com) that allows you to determine a tax rate for any address in the state. We provide the GeoTax link only as a public service. We do not maintain the website and are not responsible for the content or accuracy of the information shown on that site.

For more information

The City and County Tax Rates page (www.boe.ca.gov/sutax/pam71.htm) on our website contains additional information regarding tax rates and district taxes. The BOE will provide more information on the statewide tax rate increase as it becomes available. For a complete listing of California tax rates, you may also refer to [publication 71](#), *California City and County Sales and Use Tax Rates*. For information on district taxes, please refer to [publication 44](#), *District Taxes*, and [publication 105](#), *District Taxes and Delivered Sales*. You can download copies of the publications from our website or call our Taxpayer Information Section.

Online requests coming soon

The Online Relief Requests system will be available this fall. This new service provides the ability to electronically submit your request to the BOE for consideration of the cancellation of penalty and/or interest charges or fees incurred. You can submit your online request for the following:

- Declaration of Timely Mailing
- Extension of Time in which to file a Tax/Fee Return
- Request for Relief from Penalty
- Request for Relief from Interest
- Request for Relief from Penalty and Interest due to a Disaster
- Request for Relief from Collection Cost Recovery Fee

For more information, please visit our website at www.boe.ca.gov.

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No Cash Pilot Program

The No Cash Pilot Program began June 1, 2011, in our Oakland, San Diego, and Ventura district offices and their branches (San Marcos, El Centro, and Bakersfield). The pilot was scheduled to run for 90 days; however, due to its success, it has been extended indefinitely. On May 7, 2012, an additional six district offices transitioned to the program. The additional offices are: San Francisco, Riverside, Norwalk, Van Nuys, Culver City, and Irvine.

The public was informed of the pilot project before it began by placing posters in the affected offices, posting on the BOE website, and verbally by staff in the district offices and the Taxpayer Information Section.

With BOE's ePay services available and conveniently accessible, taxpayers who bring cash as payment are asked to pay via an alternate method. The offices participating in the pilot will continue to accept the following forms of payment: checks (personal, business, cashier's, and money orders), credit cards, Automated Clearing House (ACH) Debit, and ACH Credit. The new No Cash Pilot Program allows BOE to reduce costs and ensure safety to employees.

eReg

The new electronic registration ([eReg](#)) system is here! This online system provides many options when you register for various tax and fee programs with the BOE. This innovative business process offers many conveniences to our taxpayers including improved efficiency and turnaround time. You'll find that eReg focuses on you, the taxpayer, by giving you immediate notifications on the status of your application and provides quicker access to BOE information.

For more information on eReg, please visit our website at www.boe.ca.gov.

BOE ePay—a smart app for smartphones

The BOE ePay app is a streamlined way to manage electronic payments and user account details on your mobile device. You can log in either with an eClient ID or an Express Login code. This app can be downloaded from our website for use on your iPhone, Android mobile device, or use it on other mobile devices with a browser (other than Internet Explorer).

What can I do?

- Registration: If you don't already have one, you can create an eClient ID for your BOE account.
- ePayment: Make electronic payments to your BOE account either through bank debit or with a credit card. You can also view your ePayment history and the details of prior ePayments.
- eClient/Account Maintenance: Manage your eClient User ID, Password and Email address. You can also manage your BOE Account Email address.

BOE application

The BOE application enables mobile users to find the closest BOE office or verify a permit.

What can I do?

- Permit Verification: Verify the status of a seller's permit account number included on a resale certificate, a cigarette/tobacco products license, or an eWaste recycling fee license.
- Find BOE Offices: Get an office's address and phone details, or with the tap of a button call an office or open its location in the Maps application to get driving directions.

Are the Amazon Kindle devices subject to the Electronic Waste Recycling (eWaste) fee?

The California Department of Toxic Substances Control (DTSC) has determined that the Amazon Kindle, Kindle DX, Kindle Keyboard, and Kindle Touch are not Covered Electronic Devices because these devices are not video display devices capable of displaying moving graphical images and do not contain LCD displays, but rather contain E-ink displays. Therefore, a retailer is not required to collect the eWaste fee from the consumer on the sale of any of these devices.

However, the Kindle Fire is a Covered Electronic Device (CED) as it is a video display device that contains an LCD screen and falls into the "LCD containing laptop computers" category similar to the iPad and other similar devices. Therefore, a retailer is required to collect the eWaste fee from the consumer on the retail sale of a new or refurbished Kindle Fire device.

The eWaste fee is imposed on the purchase of a new or refurbished CED. A CED is a video display device that has a screen greater than four inches, measured diagonally, which is identified as a CED by the DTSC. For further information regarding the eWaste fee, see our website at www.boe.ca.gov/sptaxprog/electronic_waste_recycling_fee.htm#.

If you import beer and wine into California, you may be responsible for reporting and paying California excise tax

An import is any shipment into the State of California from outside this state.

The California excise tax on beer and wine is due from the importer. An importer is defined as the first person to receive the product in California or the manufacturer that removes the product from Internal Revenue bond in California. This definition includes beer and wine manufacturers and vendors located outside California if they import beer or wine in to California warehouses for temporary storage before it is sold to distributors or removed from Internal Revenue bond. Every person who receives beer or wine in California, as discussed above, must hold a Beer and Wine Importer's License.

The California excise tax is due on beer and wine imports by a beer manufacturer, wine grower, or importer unless it is proved to the satisfaction of the BOE that the beer or wine is in the possession of the beer manufacturer or wine grower in Internal Revenue bond within the state, or it has been exported from this state by the licensee making the report, or it has been sold for export and actually exported from this state.

Each importation of beer or wine into California must be recorded on a [BOE-269-A](#), *Beer and Wine Imported into California*, which must be included with the tax return for that period. Imported shipments of wine received by a wine grower in Internal Revenue bond must also be reported on a BOE-269-A and on a [BOE-501-WG](#), *Winegrower Tax Return*, in the reporting period for which the shipments are received. However, such imports are not taxable at the time of receipt. Rather, a deduction should be taken on the Winegrower Tax Return for the gallons received in Internal Revenue bond.

Be advised that business agreements attempting to shift responsibility for the California excise tax from the importer to the distributor are not allowed by statute. Such agreements are not binding to the state and do not relieve the importer from liability under the California Alcoholic Beverage Tax Law.

If you are interested in learning more about the California excise tax on beer and wine imports or about other taxes and fees collected by the BOE, please visit our website at: www.boe.ca.gov/sptaxprog/tax_and_fee_programs.htm.

Recent amendments that provide limited exemption from tax to Indian tribal governments

Regulation 1616, *Federal Areas*, was recently amended to provide a limited exemption from tax for sales to and purchases by Indian tribal governments. Previously, one of the conditions for exemption was that the property be delivered in Indian Country, on the reservation. Now tribes who lack a reservation or adequate services or facilities on the reservation to conduct tribal business may qualify for exemption from sales or use tax on their purchases of tangible personal property if all of the following requirements are met:

- The tribe is federally recognized
- The property is purchased by the tribal government for use in tribal self - governance
- The property is delivered to the tribal government and ownership of the property transfers to the tribal government at the principal place where the tribal government meets to conduct business, and
- The property is not used for purposes other than tribal self-governance more than it is used for tribal self-governance during the first 12 months following delivery.

We are adding a list of qualifying tribes and locations to our website page dedicated to American Indian Tribal Issues at www.boe.ca.gov/sutax/indianLandSales.htm. The list may be used by vendors to verify if the tribe and delivery location qualify for the exemption. The page also provides additional information on tribal issues and includes links to applicable regulations and our recently issued special notice regarding this new limited exemption.

Verifying a seller's permit number is easy

Seller's permit verification is available to help you determine if a seller's permit account number included on your customer's resale certificate is currently valid. As a seller, you are responsible for ensuring the resale certificate is properly completed. Please refer to [Regulation 1668](#), *Resale Certificates*. With BOE's online permit verification, you can verify the permit number and make sure it is valid before accepting the resale certificate. The burden of proving a valid sale for resale is on you as the seller; therefore, you can prevent potential concerns regarding the validity of the certificate by using the BOE's online permit verification service.

There are two easy methods to perform permit verification:

Access our website at www.boe.ca.gov and click on the eServices tab, then select Verify a Permit/License, and enter the permit number for verification.

Or download our BOE mobile app for your iPhone, Android mobile device, or any other mobile device that uses a browser other than Internet Explorer. You can download them here:

www.boe.ca.gov/mobile/.

Suisun City branch office is closing and relocating to a new office in Fairfield

The Suisun City location on 333 Sunset Avenue, Suite 330 will close permanently in early September 2012. The office is being relocated to Fairfield at 2480 Hilborn Road, Suite 200, Fairfield, CA 94534.

The branch office provides a full range of services to you including easy freeway access and an improved customer service lobby with self-service kiosks. Services are also offered through our website and our Taxpayer Information Section.

Potential 1/4 percent increase in statewide sales and use tax rate

Governor Jerry Brown has proposed a constitutional amendment, subject to statewide voter approval in November 2012, which would, among other things, temporarily increase the statewide sales and use tax rate by 0.25 percent. The current statewide rate is 7.25 percent, and if successful, the Governor's measure would increase the statewide rate to 7.50 percent for four years—from January 1, 2013, through December 31, 2016.

Please visit our website at www.boe.ca.gov, the BOE will provide more information on the statewide tax rate increase as it becomes available.

Civil behavior in trying times

We know that you may find yourself frustrated with the difficulties of the tax law or pressed for time when dealing with our staff. Still, we ask that you treat our employees just as you would like to be treated in a business situation. Any statement or gesture made to a BOE employee that seems like a threat—even a statement made in jest—will be referred to our Internal Affairs Section for investigation.

Ethics at work—"thank you" is enough

We'd like to remind you that BOE policy generally prevents our employees from accepting gifts of any type. So if you are grateful to someone for going the extra mile to help you with a complicated issue, a simple "thank you" will do.

For More Information

All telephone numbers are toll-free.

Internet

www.boe.ca.gov
www.taxes.ca.gov

Taxpayer Information Section

800-400-7115 (TTY:711)

Requests for Fax Copies

800-400-7115

(Choose automated services)

Seller's Permit Verification

888-225-5263

www.boe.ca.gov

Taxpayers' Rights Advocate

888-324-2798

www.boe.ca.gov

Tax Evasion Hotline

888-334-3300

State Legislation

www.leginfo.ca.gov/bilinfo.html